

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 12, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 2, delete lines 21 through 42, begin a new paragraph and
2 insert:
3 "SECTION 3. IC 6-1.1-20.6-7, AS AMENDED BY P.L.224-2007,
4 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2009]: Sec. 7. (a) ~~In the case of a credit authorized under~~
6 ~~section 6 of this chapter or provided by section 6.5(a) or 6.5(b) of this~~
7 ~~chapter for property taxes first due and payable in a calendar year:~~
8 (1) a person is entitled to a credit against the person's property tax
9 liability for property taxes first due and payable in that calendar
10 year attributable to
11 (A) the person's qualified residential property located in the
12 county, in the case of a calendar year before 2008; or
13 (B) the person's homestead, (as defined in IC 6-1.1-20.9-1)
14 property located in the county, in the case of a calendar year
15 after 2007 and before 2010; and
16 (2) the amount of the credit is the amount by which the person's
17 property tax liability attributable to
18 (A) the person's qualified residential property, in the case of a
19 calendar year before 2008; or
20 (B) the person's homestead property, in the case of a calendar
21 year after 2007 and before 2010;

for property taxes first due and payable in that calendar year exceeds two percent (2%) of the gross assessed value that is the basis for determination of property taxes on the qualified residential property (in the case of a calendar year before 2008) or the person's homestead property (in the case of a calendar year after 2007 and before 2010) for property taxes first due and payable in that calendar year, as adjusted under subsection (c). A person is entitled to a credit against the person's property tax liability for property taxes first due and payable in 2009. The amount of the credit is the amount by which the person's property tax liability attributable to the person's:

- (1) homestead exceeds one and five-tenths percent (1.5%);
- (2) residential property exceeds two and five-tenths percent (2.5%);
- (3) nonresidential real property exceeds three percent (3%);
- or
- (4) personal property exceeds three percent (3%);

of the gross assessed value of the property that is the basis for determination of property taxes for that calendar year.

(b) In the case of a credit provided by section 6.5(c) of this chapter for property taxes first due and payable in a calendar year:

- (1) a person is entitled to a credit against the person's property tax liability for property taxes first due and payable in that calendar year attributable to the person's real property and personal property located in the county; and
- (2) the amount of the credit is equal to the following:

(A) In the case of property tax liability attributable to the person's homestead property, the amount of the credit is the amount by which the person's property tax liability attributable to the person's homestead property for property taxes first due and payable in that calendar year exceeds two percent (2%) of the gross assessed value that is the basis for determination of property taxes on the homestead property for property taxes first due and payable in that calendar year, as adjusted under subsection (c).

(B) In the case of property tax liability attributable to property other than homestead property, the amount of the credit is the amount by which the person's property tax liability attributable to the person's real property (other than homestead property) and personal property for property taxes first due and payable in that calendar year exceeds three percent (3%) of the gross assessed value that is the basis for determination of property taxes on the real property (other than homestead property) and

1 personal property for property taxes first due and payable in
2 that calendar year; as adjusted under subsection (c):

3 (c) This subsection applies to property taxes first due and payable
4 after December 31, 2007. The amount of a credit to which a person is
5 entitled under subsection (a) or (b) in a county shall be adjusted as
6 determined in STEP FIVE of the following STEPS:

7 STEP ONE: Determine the total amount of the person's property
8 tax liability described in subsection (a)(1) or (b)(1) (as applicable)
9 that is for tuition support levy property taxes:

10 STEP TWO: Determine the total amount of the person's property
11 tax liability described in subsection (a)(1) or (b)(1) (as
12 applicable):

13 STEP THREE: Determine the result of:

14 (A) the STEP TWO amount; minus

15 (B) the STEP ONE amount:

16 STEP FOUR: Determine the result of:

17 (A) the STEP THREE amount; divided by

18 (B) the STEP TWO amount:

19 STEP FIVE: Multiply the credit to which the person is entitled
20 under subsection (a) or (b) by the STEP FOUR amount:

21 Notwithstanding any other provision of this chapter, a school
22 corporation's tuition support property tax levy collections may not be
23 reduced because of a credit under this chapter:

24 **(b) Property taxes imposed after being approved by the voters**
25 **in a referendum or local public question shall not be considered for**
26 **purposes of calculating a person's credit under this section."**

27 Delete page 3.

28 Page 4, delete lines 1 through 9.

29 Page 4, line 12, after "7.5." insert "(a)".

30 Page 4, between lines 23 and 24, begin a new paragraph and insert:

31 **"(b) Property taxes imposed after being approved by the voters**

- 1 **in a referendum or local public question shall not be considered for**
- 2 **purposes of calculating a person's credit under this section."**
- 3 Renumber all SECTIONS consecutively.
 (Reference is to SB 12 as introduced.)

and when so amended that said bill do pass .

Committee Vote: Yeas 10, Nays 0.

Senator Kenley, Chairperson